

BAY AREA COMMUTER BENEFITS PROGRAM

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Bay Area Air Quality Management District**

JPC Executive Committee, January 17, 2014



**METROPOLITAN
TRANSPORTATION
COMMISSION**



**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

BACKGROUND & OVERVIEW

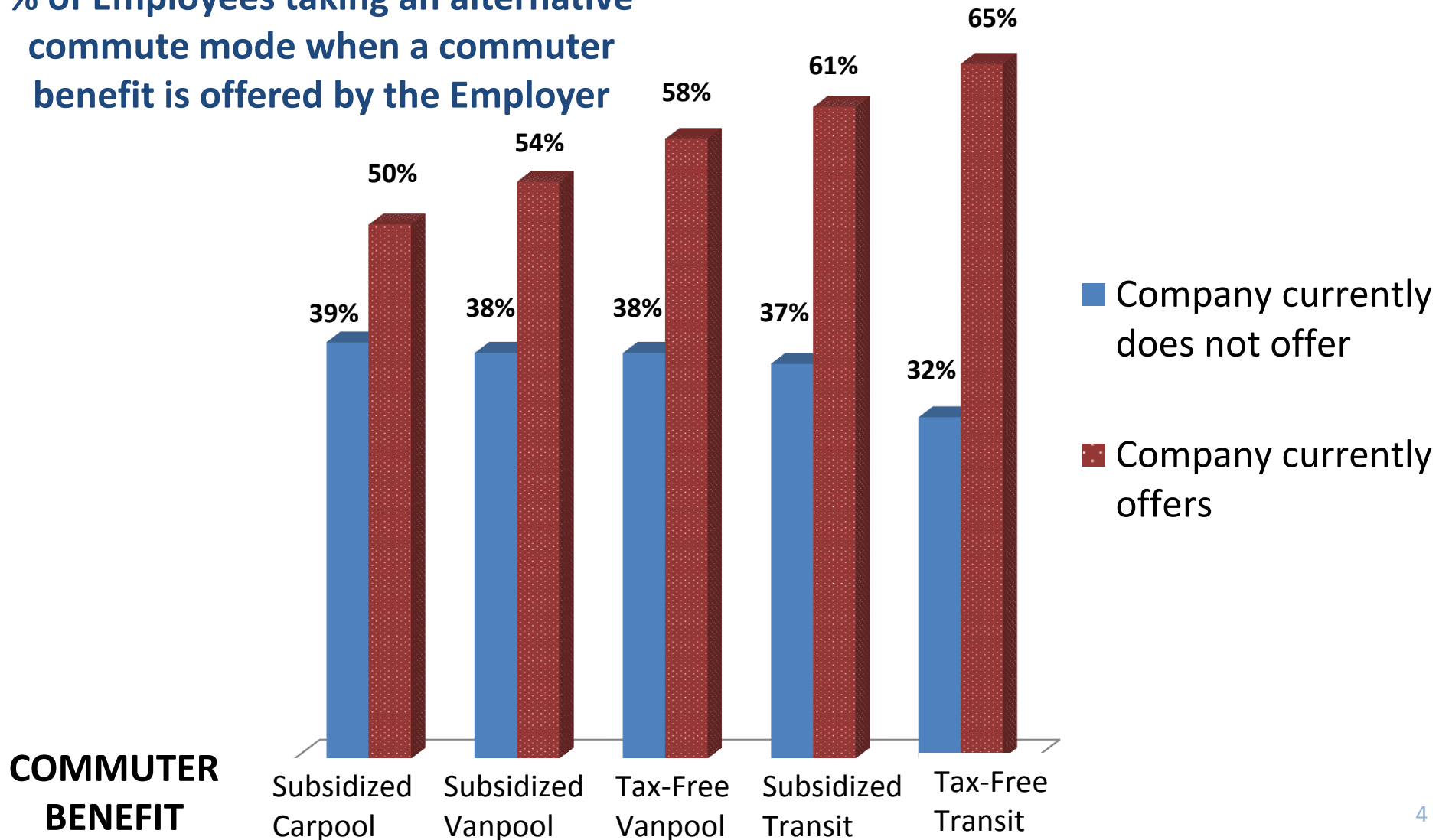
- Program based on Senate Bill 1339
 - signed by Governor in fall 2012
- Authorizes Air District & MTC to jointly adopt a regional commuter benefits ordinance
- Modeled on local ordinances in several Bay Area cities
- Program must be approved by Air District Board of Directors & MTC Commission in order to take effect
- Pilot program: 2014-2016
- Report to Legislature due by July 2016

PURPOSE / OBJECTIVES

- Reduce motor vehicle trips to worksites
- Reduce traffic congestion
- Improve air quality
- Reduce emissions of greenhouse gases
- Take advantage of federal commuter tax benefits that provide tax savings to employers & employees
- Expand the number of employers that make commuter benefits available to their employees
- Level the playing field; expand best practices

EMPLOYERS CAN INFLUENCE MODE CHOICE

% of Employees taking an alternative commute mode when a commuter benefit is offered by the Employer



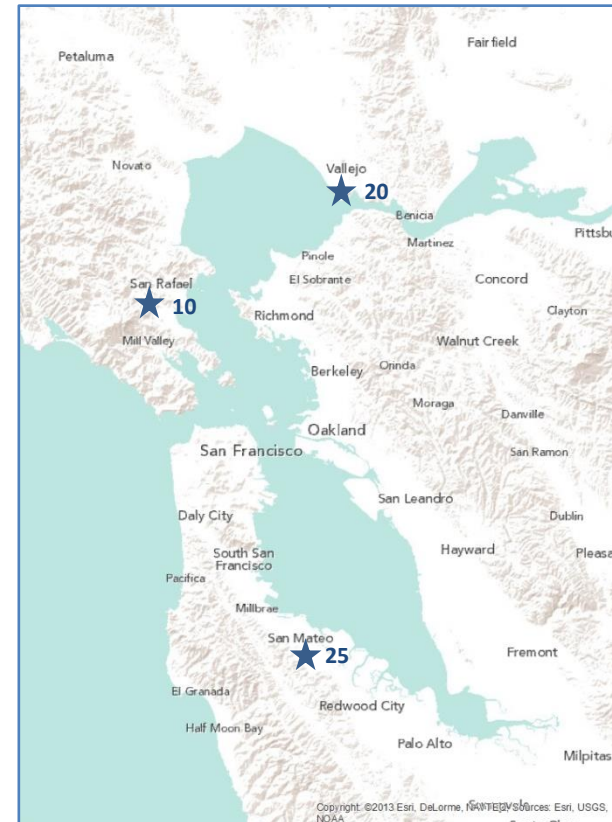
APPLICABILITY

Employers with 50+ full-time employees in Bay Area:

- Private business
- Public agency
- Non-profit organization

Employee count based on all Bay Area worksites combined

- Including branch locations with less than 50 employees



FOUR COMMUTER BENEFIT OPTIONS

- **Option 1:** Pre-tax payroll deduction for transit or vanpool
- **Option 2:** Direct subsidy for transit or vanpool
- **Option 3:** Employer-provided transportation
- **Option 4:** Alternative commuter benefit

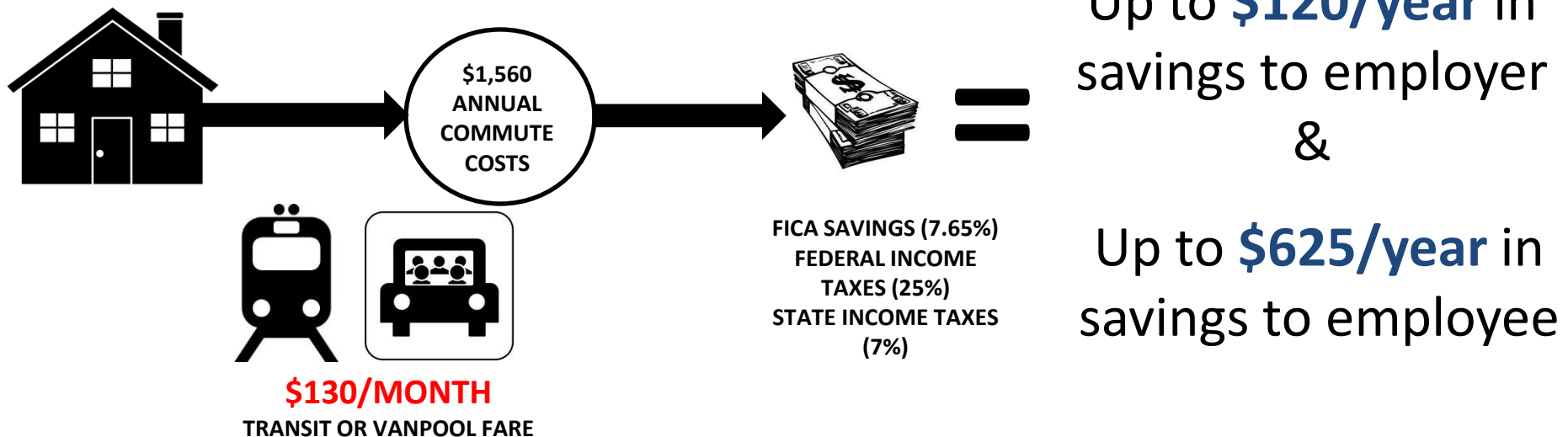


SAVINGS TO EMPLOYERS & EMPLOYEES

Option 1: By allowing use of pre-tax \$\$ for transit & vanpool

-Employers: can save **~8%** (or more) on payroll taxes

-Employees: can save on average **40%** (or more) on their (after-tax) commute costs



PROGRAM REQUIREMENTS

Key requirements:

- Select one of the four commuter benefit options
- Designate a commuter benefits coordinator
- Register with Air District/MTC
- Notify employees & make benefit available
- Provide information needed for Program evaluation

COMMUTER BENEFITS PROGRAM ELEMENTS

- New Air District rule (**Regulation 14, Rule 1**) to serve as foundation for Program
- Guidelines to explain Program options & requirements
- Employer assistance via MTC's 511 Regional Rideshare Program
- Web-based registration system & employer database

Objective:

- Make it easy for employers to comply
- Minimize administrative requirements

PUBLIC OUTREACH

- Engaged wide range of stakeholders: employers, congestion management agencies, transportation management associations, transit agencies, etc.
- Meetings & presentations with numerous employer groups throughout the Bay Area
- Issued draft rule & workshop report in late August
- Public workshops in all nine Bay Area counties in October 2013 to get input on draft Program
- Revised Program elements as appropriate to respond to public comments

KEY ROLES & RESPONSIBILITIES

Air District & MTC are collaborating to develop & implement the Program

Air District:

- Develop rule & guidelines to complement the rule
- Compliance verification / enforcement

MTC:

- Develop registration process & employer database
- Employer assistance via 511 Regional Rideshare Program

PROCESS & TIMELINE

Task / Milestone	Time Frame
Issue Notice of Public Hearing: <ul style="list-style-type: none">- Proposed Rule (Regulation 14, Rule 1)- Staff Report- Socio-economic analysis- CEQA doc (Initial Study/Negative Declaration)	January 2014
Deadline for public comments on proposed rule docs	(30 days)
Air District Board hearing	March 19
Concurrence by MTC Commission	March 26
Implementation of Program	Begin April 2014
Employers choose option & implement program	6 months to comply

POSITIVE OUTCOMES

- Better air quality
- Reduce greenhouse gas emissions
- Employers save on payroll taxes
- Employees save on transit/vanpool fares - both existing & new riders
- Enhance employee benefits
- Reduce traffic congestion
- Economy: more \$\$ stay in the Bay Area



FOR MORE INFORMATION

www.BAAQMD.gov/commuterbenefits

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